

# FIS Iron Ore Offshore

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## Iron Ore Jan 24 (rolling Front Month)



|    | Support | Resistance | Current Price | Bull         | Bear                  |
|----|---------|------------|---------------|--------------|-----------------------|
| S1 | 132.30  | R1         | 133.80        | RSI above 50 | Stochastic overbought |
| S2 | 129.46  | R2         |               |              |                       |
| S3 | 126.00  | R3         |               |              |                       |

### Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55-period EMA's
- RSI is above 50 (61)
- Stochastic is overbought
- Price is below the weekly pivot point (USD 134.38)
- Technically bullish last week with intraday Elliott wave analysis continuing to warn that downside moves should be considered as countertrend. The MA on the RSI was moving lower, warning that momentum remained weak. We were testing but remained below the USD 131.97 resistance, if we held below this level, then it would warn that we could potentially enter a more complex corrective phase. Likewise, if we traded above this level, then resistance levels would start to look vulnerable. A close on the daily candle below USD 128.87 would warn that the USD 126.00 fractal low could be tested and broken. Key support remained unchanged at 118.94, if broken, then the probability of the futures trading to a new high would start to decrease. The futures traded above the USD 131.97 resistance, resulting in price trading to a new high. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 129.46 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 126.00 is the technical bearish.
- The futures have traded to a new high with Elliott wave analysis suggesting we have the potential to trade as high as USD 141.99. However, the new high means that the futures are now in divergence with the RSI, not a sell signal it is a warning that we could potentially see a momentum slowdown. A cautious bull as upside moves above USD 136.20 could struggle to hold. Note: if we do see a strong impulse move higher, then it could result in intraday Elliott wave extension to the upside.

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